
By: **Delegates Hixson, Bozman, Gordon, Healey, Howard, Marriott, and
Patterson**

Introduced and read first time: February 6, 2003

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Streamlined Sales and Use Tax Agreement**

3 FOR the purpose of adopting a certain Streamlined Sales and Use Tax Agreement;
4 requiring the Comptroller to prepare and submit a certain report regarding
5 changes to the State's laws, regulations, or policies needed to bring the State
6 into compliance with the Agreement and certain other changes recommended by
7 the Comptroller; and generally relating to the adoption of the Streamlined Sales
8 and Use Tax Agreement.

9 BY adding to
10 Article - Tax - General
11 Section 11-106
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2002 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Tax - General**

17 11-106.

18 (A) IN THIS SECTION, "AGREEMENT" MEANS THE STREAMLINED SALES AND
19 USE TAX AGREEMENT AS ADOPTED BY THE MEMBER STATES OF THE STREAMLINED
20 SALES AND USE TAX PROJECT ON NOVEMBER 12, 2002.

21 (B) (1) THE STATE OF MARYLAND HEREBY ADOPTS THE STREAMLINED
22 SALES AND USE TAX AGREEMENT AS ADOPTED BY THE MEMBER STATES OF THE
23 STREAMLINED SALES AND USE TAX PROJECT ON NOVEMBER 12, 2002.

24 (2) ON OR BEFORE NOVEMBER 15, 2003, THE COMPTROLLER SHALL
25 PREPARE AND SUBMIT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE
26 GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE AND THE
27 HOUSE COMMITTEE ON WAYS AND MEANS A REPORT THAT:

1 (I) IDENTIFIES:

2 1. ANY CHANGES TO STATE STATUTES, REGULATIONS, OR
3 POLICIES THAT NEED TO BE MADE IN ORDER TO BRING THE STATE INTO
4 COMPLIANCE WITH THE AGREEMENT; AND

5 2. ANY OTHER CHANGES TO STATE LAWS THAT WOULD NOT
6 BE REQUIRED BUT THAT THE COMPTROLLER RECOMMENDS SHOULD REASONABLY
7 BE MADE IN CONNECTION WITH IMPLEMENTING THE AGREEMENT; AND

8 (II) FOR EACH CHANGE IDENTIFIED UNDER ITEM (I) OF THIS
9 PARAGRAPH:

10 1. ESTIMATES THE IMPACT OF THAT CHANGE ON STATE
11 SALES AND USE TAX REVENUE; AND

12 2. IDENTIFIES AND EXPLAINS ANY FISCAL OR POLICY
13 ISSUES THAT WOULD BE ASSOCIATED WITH THE CHANGE.

14 (C) NOTWITHSTANDING THE ADOPTION OF THE AGREEMENT UNDER THIS
15 SECTION:

16 (1) NO PROVISION OF THE AGREEMENT IN WHOLE OR IN PART
17 INVALIDATES OR AMENDS ANY PROVISION OF THE LAW OF THIS STATE;

18 (2) ADOPTION OF THE AGREEMENT DOES NOT AMEND OR MODIFY ANY
19 OTHER PROVISION OF THIS TITLE OR OTHER LAW OF THIS STATE; AND

20 (3) IMPLEMENTATION OF ANY CONDITION OF THE AGREEMENT IN THIS
21 STATE, WHETHER ADOPTED BEFORE, AT, OR AFTER ADOPTION OF THE AGREEMENT
22 BY THIS STATE, MUST BE BY THE ACTION OF THIS STATE.

23 (D) (1) (I) THE AGREEMENT ADOPTED BY THIS SECTION BINDS AND
24 INURES ONLY TO THE BENEFIT OF THIS STATE AND THE OTHER MEMBER STATES.

25 (II) NO PERSON, OTHER THAN A MEMBER STATE, IS AN INTENDED
26 BENEFICIARY OF THE AGREEMENT.

27 (III) ANY BENEFIT TO A PERSON OTHER THAN A STATE MUST BE
28 ESTABLISHED BY THE LAW OF THIS STATE AND THE OTHER MEMBER STATES AND
29 NOT BY THE TERMS OF THE AGREEMENT.

30 (2) (I) NO PERSON SHALL HAVE ANY CAUSE OF ACTION OR DEFENSE
31 UNDER THE AGREEMENT OR BY VIRTUE OF THE STATE'S ADOPTION OF THE
32 AGREEMENT.

33 (II) NO PERSON MAY CHALLENGE, IN ANY ACTION BROUGHT
34 UNDER ANY PROVISION OF LAW, ANY ACTION OR INACTION BY ANY DEPARTMENT,
35 AGENCY, OR OTHER INSTRUMENTALITY OF THIS STATE, OR ANY POLITICAL

1 SUBDIVISION OF THIS STATE, ON THE GROUND THAT THE ACTION OR INACTION IS
2 INCONSISTENT WITH THE AGREEMENT.

3 (3) NO LAW OF THIS STATE, OR THE APPLICATION THEREOF, MAY BE
4 DECLARED INVALID AS TO ANY PERSON OR CIRCUMSTANCE ON THE GROUND THAT
5 THE PROVISION OR APPLICATION IS INCONSISTENT WITH THE AGREEMENT.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
7 effect July 1, 2003.